

[First Reprint]

ASSEMBLY, No. 1126

STATE OF NEW JERSEY

219th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2020 SESSION

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SYNOPSIS

Allows certain State agencies to sell Internet advertisements on agencies' websites as pilot program.

CURRENT VERSION OF TEXT

As reported by the Assembly State and Local Government Committee on February 3, 2020, with amendments.



1 AN ACT allowing certain State agencies to sell Internet
 2 advertisements on the agencies' websites as a pilot program and
 3 supplementing chapter 32 of Title 52 of the Revised Statutes.

4
 5 **BE IT ENACTED** *by the Senate and General Assembly of the State*
 6 *of New Jersey:*

7
 8 1. The Legislature finds ¹and declares¹ that¹:

9 a.¹ State agency websites provide timely and useful information to
 10 the public about State agency programs and services.

11 ¹b.¹ These websites are informative in nature and do not serve as a
 12 public forum or a limited public forum for the discussion or exchange
 13 of ideas.¹ **【** The Legislature further finds that allowing¹ **】**

14 c. Allowing¹ State agencies to sell Internet advertisements for
 15 display on their web pages could provide new sources of revenue for
 16 the State, particularly for those State agencies that maintain high-
 17 traffic web pages.

18 ¹d. It is the express intention of the Legislature that the space
 19 allocated for advertising be a non-public forum and that acceptance of
 20 advertising on a State agency website will not provide or create a
 21 general or designated public forum for expressive activities.

22 e. The State maintains an interest in preserving a degree of
 23 political neutrality on websites designed to address matters of public
 24 significance and in avoiding a misperceived promotion of certain
 25 products that can be detrimental to the public health, and therefore,
 26 finds it proper to prohibit certain subject matter, such as tobacco,
 27 alcohol, and political advocacy, from appearing on State agency
 28 websites.

29 f. Other restrictions may be important for or otherwise consistent
 30 with preserving a website for the purpose to which it is dedicated,
 31 including, but not limited to, the avoidance of advertising that reduces
 32 the competitiveness or is otherwise antithetical to the mission of the
 33 agency.

34 g.¹ Therefore, the Legislature intends to allow a limited number of
 35 State agencies to establish a pilot program to sell Internet
 36 advertisements for display on their websites, provided that the
 37 advertisements are consistent with the business mission of the agency
 38 as well as any Internet advertisement guidelines adopted by the
 39 agency.

40
 41 2. ¹a.¹ Beginning ¹**【**90¹**】** 180¹ days following the enactment of
 42 P.L. , c. , (C.) (pending before the Legislature as this bill),
 43 ¹**【**the Economic Development Authority and¹**】** a State agency, other
 44 than¹ the New Jersey Lottery, on behalf of the State of New Jersey,
 45 ¹**【**each shall¹**】** may, subject to approval by the Department of the

EXPLANATION – Matter enclosed in bold-faced brackets **【thus】** in the above bill is
 not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹Assembly ASL committee amendments adopted February 3, 2020.

1 Treasury,¹ establish a three-year pilot program to begin selling Internet
 2 advertisements for display on ¹‘[those agencies websites] the agency’s
 3 website. The department shall approve at least one agency applicant to
 4 establish a pilot program.

5 b. Advertisements for tobacco or alcohol products, for political
 6 advocacy, or that reduce the competitiveness or are otherwise
 7 antithetical to the mission of the agency shall be prohibited, in addition
 8 to any other advertisements for products or services, or by sponsors,
 9 that the head of such agency deems inappropriate¹. In locations where
 10 Internet advertisements are offered on a State agency web page, the
 11 web page shall also include a disclaimer, indicating that the inclusion
 12 of Internet advertisements does not imply endorsement by the State.

13 ¹c. The Department of the Treasury shall, within 90 days
 14 following enactment of this act, P.L. , c. (pending before the
 15 Legislature as this bill), establish rules and regulations to carry out the
 16 purposes of this act, including rules providing for the application and
 17 approval of an agency to establish a pilot program. The rules
 18 established by the department pursuant to this section shall be effective
 19 immediately upon filing with the Office of Administrative Law and
 20 shall be effective for a period not to exceed 42 months and may,
 21 thereafter, be amended, adopted or readopted in accordance with the
 22 provisions of the “Administrative Procedure Act,” P.L.1968, c.410
 23 (C.52:14B-1 et seq.).

24 d.¹ Not later than three months after the conclusion of the pilot
 25 program by ¹‘[the] a¹ State agency, the agency shall submit a report to
 26 the Governor and the Legislature pursuant to section 2 of P.L.1991,
 27 c.164 (C.52:14-19.1) that evaluates the effectiveness of the pilot
 28 program. The report shall include a detailed summary of both the
 29 expenditures made and the revenues produced under the program, as
 30 well as recommendations concerning whether to continue the program.

31 ¹e.¹ For the purposes of ¹this act,¹ P.L. , c. (C.) (pending
 32 before the Legislature as this bill) ¹‘[.] :

33 “Internet advertisement” means specific advertising methods on
 34 the ¹‘[internet] Internet¹, including display or banner advertisements,
 35 sponsorships, and business listings where goods or services may be
 36 purchased online.

37 ¹“State agency” means any of the following that has “.com,” “.org,”
 38 or “.net” as its top-level domain in its website domain name: any of the
 39 principal departments in the Executive Branch of the State
 40 Government, and any division, board, bureau, office, or commission
 41 within or created by such department, and, to the extent consistent
 42 with law, any interstate agency to which New Jersey is a party and any
 43 independent State authority, commission, or agency.¹
 44

45 3. Prior to selling Internet advertisements, a State agency shall ¹,
 46 with the approval of the Department of the Treasury in consultation

1 with the Attorney General,¹ develop policy, style, and content
2 guidelines for Internet advertisements that ensure that the subject
3 matter of any Internet advertisement displayed by the agency directly
4 relates to the business mission and purpose of the agency. The head of
5 the agency, to the maximum extent practicable, shall enter into
6 contracts for Internet advertisements with businesses based in this
7 State, unless the head of the agency determines it to be inconsistent
8 with the public interest.
9

10 4. Revenue generated from the sale of Internet advertisements
11 under P.L. , c. (C.) (pending before the Legislature as this bill)
12 shall be deposited into the State General Fund by ¹~~the~~ a¹ State
13 ¹~~agencies named in section 2 of P.L. , c. (C.) (pending~~
14 ~~before the Legislature as this bill)]~~ agency¹ for which expenditures are
15 authorized through the State annual appropriations act. There shall be
16 appropriated annually such funds as are determined to be necessary to
17 each such agency for the incremental cost of offering Internet
18 advertisements and an additional ¹~~ten~~ 10¹ percent of such revenue
19 generated by that agency for the purpose of innovation in operations,
20 programs^{1,1} or services.

21 For ¹~~the agencies~~ an agency¹ not funded through the State annual
22 appropriations act, the agency shall remit to the State Treasurer such
23 revenue generated from the sale of Internet advertisements as shall
24 remain after deductions by the agency for the incremental cost of
25 offering Internet advertisements and of an additional ¹~~ten~~ 10¹
26 percent for the purpose of innovation in operations, programs^{1,1} or
27 services.
28

29 5. This act shall take effect immediately and shall expire upon
30 the submission ¹by the last agency approved to establish a pilot
31 program¹ of the report required pursuant to section 2 of this act.